

1 HEINZ BINDER, #87908  
2 ROBERT G. HARRIS, #124678  
3 JULIE H. ROME-BANKS, #142364  
4 ROYA SHAKOORI, #236383  
5 Binder & Malter, LLP  
6 2775 Park Avenue  
7 Santa Clara, CA 95050  
Telephone: (408)295-1700  
Facsimile: (408) 295-1531  
email: heinz@bindermalter.com  
email: rob@bindermalter.com  
email: julie@bindermalter.com  
email: roya@bindermalter.com

8 Attorneys for Debtor  
9 Alpha Factors

UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF CALIFORNIA, DIVISION 5

In re

ALPHA FACTORS, dba Century 21  
Alpha, a California corporation,

Debtor.

Case No. 08-54475-SLJ

## Chapter 11

Date: December 2, 2010

Time: 2:00 p.m.

Courtroom: 3099

Judge: Hon. Stephen L. Johnson

**DECLARATION OF JULIE H. ROME-BANKS IN SUPPORT OF APPROVAL OF  
DEBTOR'S FIRST AMENDED DISCLOSURE STATEMENT (NOVEMBER 29, 2010)**

I, Julie H. Rome-Banks, hereby declare:

1. I am an attorney licensed to practice by the State of California and admitted to practice before the above entitled Court. I am employed as a partner by Binder & Malter LLP, attorneys for Debtor and Debtor-in-Possession Alpha Factors (“Debtor”) in the above entitled action and I am authorized to make this Declaration on behalf of my client.

2. I have personal knowledge of the matters contained in this Declaration,

1 except as to those matters alleged upon information and belief and as to those matters  
2 I believe them to be true. If called upon as a witness, I could and would competently  
3 testify as follows.

4       3. Since the Debtor's Disclosure Statement (October 26, 2010) (docket  
5 #192) ("Disclosure Statement") was filed and notice of this hearing to approve the  
6 Disclosure Statement was served upon all creditors and parties in interest, there have  
7 been no objections filed or served. My office has not received any communication from  
8 any creditors objecting to the content of the Disclosure Statement. I have received  
9 email inquiries from 4 creditors who requested copies of the Disclosure Statement and  
10 Debtor's Plan of Reorganization (October 26, 2010) ("Plan"), and have provided copies  
11 of those pleadings as requested.

12       4. Filed concurrently herewith is the Debtor's First Amended Disclosure  
13 Statement (November 29, 2010) ("First Amended Disclosure Statement").  
14 A redline version of the First Amended Disclosure Statement is being delivered to  
15 chambers. A redline version of the Debtor's First Amended Plan of Reorganization  
16 (November 29, 2010) ("First Amended Plan") is also being delivered to chambers  
17 concurrently with the filing of First Amended Plan. The following is an explanation for  
18 the reasons behind the First Amended Disclosure Statement and First Amended Plan.

19       5. One attorney, Mr. Joseph Schieffer, representing creditor CA-Pruneyard  
20 Ltd. Partnership, contacted me to express concern over the disposition of unclaimed  
21 distribution checks under the Plan. The Debtor therefore agreed to amend the Plan to  
22 provide that cash distributions which remain unclaimed after 60 days will be included in  
23 the next quarterly distribution on all remaining Allowed Claims (i.e. the unclaimed funds  
24 will be returned to the "pot" available for all other creditors). Only upon completion of  
25 the Plan would unclaimed funds become the property of the Reorganized Debtor.  
26 These changes can be found on page 21 of the First Amended Plan. I have discussed  
27 these changes with Mr. Schieffer and he is agreeable to them.

28

DECLARATION OF JULIE H. ROME-BANKS IN SUPPORT OF APPROVAL OF DEBTOR'S FIRST AMENDED DISCLOSURE  
STATEMENT (NOVEMBER 29, 2010)

1       6. At the request attorney Mr. William C. Lewis, counsel for Edward and  
2 Daija Zimbrick, the Plan and Disclosure Statement were also amended to provide  
3 additional information to creditors regarding Mr. Zimbrick's salary and the agreement of  
4 the Zimbricks to subordinate their pre-petition claims for salary and loans to other  
5 creditors. These changes are reflected the First Amended Disclosure Statement at the  
6 following sections: (i) describing the treatment of Class Five Insider Claims beginning  
7 on page 13; (ii) in the discussion of Executory Contracts beginning on page 15; and (iii)  
8 in the section dealing with the continued employment of Mr. Zimbrick beginning on page  
9 24. Similar changes have also been made in the First Amended Plan. These changes  
10 have all been reviewed by Mr. Lewis and are acceptable to him.

11       7. For the convenience of the Court, a copy of the proposed ORDER  
12 APPROVING DISCLOSURE STATEMENT AND FIXING TIME FOR FILING  
13 ACCEPTANCES OR REJECTIONS OF PLAN COMBINED WITH NOTICE THEREOF  
14 which the Debtor expects to upload at the conclusion of the hearing on December 2,  
15 2010 is attached hereto as Exhibit "A" for the Court's consideration, review and  
16 commentary. As reflected therein, the Debtor expects to hold its hearing on  
17 confirmation of the First Amended Plan on January 13, 2011.

18                   Executed on November 29, 2010 at Santa Clara, California. I declare under  
19                   penalty of perjury that the foregoing is true and correct.

/s/ Julie H. Rome-Banks  
Julie H. Rome-Banks

JHR:F:\Clients\Alpha Factors\Pleading\Plan and Disclosure Statement\Declaration of JHR in Support of First Amended Disclosure Statement.wpd

23  
24  
25  
26  
27  
28

DECLARATION OF JULIE H. ROME-BANKS IN SUPPORT OF APPROVAL OF DEBTOR'S FIRST AMENDED DISCLOSURE STATEMENT (NOVEMBER 29, 2010) Page 1